

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of

CA 06-03

Russell Figueiroa,

Respondent.

**CONCILIATION AGREEMENT**

On or around August 2003, Robert Y. Watada ("Watada"), then Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of R.M. Towill Corporation ("RMTC"). RMTC is registered with the Business Registration Division for the purpose of engineering and surveying services, whose business address is 420 Waiakamilo Road, Suite 411, Honolulu Hawaii 96817. Russell Figueiroa ("Figueiroa"), an employee of RMTC, is the sole named Respondent. The Commission and Figueiroa are the sole parties to this agreement.

The investigation was initiated pursuant to the express authority of Section 11-193 of the Hawaii Revised Statutes, for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Figueiroa and the Commission, having entered into conciliation and pursuant to Haw. Rev. Stat. § 11-216(g), do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondent and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete

performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondent pursuant to Haw. Rev. Stat. § 11-216(g).

- III. That Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondent waives the right to be heard at a public hearing conducted under Chapter 91, HRS, pursuant to Haw. Rev. Stat. § 11-228(b).
- V. That Respondent Figueiroa, having voluntarily and fully cooperated with this investigation desires to resolve any potential litigation by entering into this Agreement with the Commission on his own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
  - 1. On or around August 2003, Watada, in his capacity as Executive Director of the Commission, and upon information received through the disclosure statements of the Arnold Morgado campaign committee ("Morgado"), the Ben Cayetano campaign committee ("Cayetano"), the Jeremy Harris campaign committee ("Harris"), and the Mazie Hirono campaign committee ("Hirono"), initiated an investigation involving contributions in violations of campaign finance statutes, Chapter 11, Part XII, Subpart B, HRS.
  - 2. Haw. Rev. Stat. § 11-204(a)(1)(B), reads in part as follows: No person or any other entity shall make contributions to: . . . A

candidate seeking nomination or election to a four-year statewide office or to the candidate's committee in an aggregate amount greater than \$6,000 during an election period.

3. Haw. Rev. Stat. § 11-204(a)(1)(C), reads in part as follows: No person or any other entity shall make contributions to: . . . A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
4. Haw. Rev. Stat. § 11-202, reads in part as follows: No person shall make a contribution of the person's own money or property, or committee in connection with a nomination for election, or election, in any name other than the true name of the person who owns the money or who supplied the money or property.
5. The Commission finds that persons associated with Figueiroa made contributions to Morgado in the amount of \$7,800.00.
6. The Commission finds that persons associated with Figueiroa made contributions to Cayetano in the amount of \$5,000.00.
7. The Commission finds that persons associated with Figueiroa made contributions to Harris in the amount of \$32,000.00.
8. The Commission finds that persons associated with Figueiroa made contributions to Hirono in the amount of \$6,000.00.

## VII. Settlement Terms

As final settlement of the matter and issues in Conciliation

Agreement #06-03, the parties understand and agree to the following:

- (A) Figueiroa agrees to an assessment of **Fifty Thousand Eight Hundred Dollars (\$50,800)** pursuant to Haw. Rev. Stat. § 11-228.
- (B) Figueiroa agrees to comply with campaign finance statutes on contribution and expenditures to candidate committees.
- (C) Terms of payment of the assessment shall be by order of the Commission.
- (D) The Commission and Figueiroa agree that Respondent does not admit to any violation nor to any liability, and that nothing contained or referred to herein, nor the payment made pursuant to this Agreement, shall be construed as an admission of any liability or fault, breach of fiduciary duties, negligence, willful misconduct, violation of any statute or law, of any kind whatsoever, by any of the parties or any other person or corporation whatsoever, but are to be construed strictly as a compromise and settlement of claims among the parties for the purpose of avoiding further controversies, litigation, and expense. This Agreement is subject to the provisions of Rule 408 of the Hawai'i Rules of Evidence and the Federal Rules of Evidence.

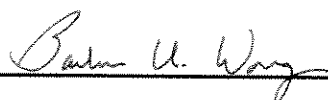
VIII. The Commission upon its own motion or a written request of anyone filing a complaint under Haw. Rev. Stat. § 11-216, may review compliance with the Agreement. If the Commission believes that the Agreement has been

violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to Haw. Rev. Stat. § 11-228(c).

- IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.
- X. This Agreement constitutes the entire agreement between the Commission and Figueiroa on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to its investigation involving contributions to the candidate committees at issue in this matter.

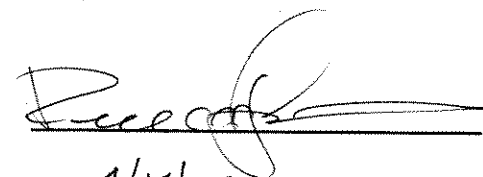
**FOR THE COMMISSION:**

Barbara U. Wong, Executive Director

By:   
Date: 4-21-06

**FOR THE RESPONDENT:**

Russell Figueiroa

By:   
Date: 4/17/06